

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Public Labor Relations Act is
5 amended by adding Section 21.5 as follows:

6 (5 ILCS 315/21.5 new)

7 Sec. 21.5. Termination of certain agreements after
8 constitutional officers take office.

9 (a) No collective bargaining agreement entered into, on or
10 after the effective date of this amendatory Act of the 96th
11 General Assembly between an executive branch constitutional
12 officer or any agency or department of an executive branch
13 constitutional officer and a labor organization may extend
14 beyond June 30th of the year in which the terms of office of
15 executive branch constitutional officers begin.

16 (b) No collective bargaining agreement entered into, on or
17 after the effective date of this amendatory Act of the 96th
18 General Assembly between an executive branch constitutional
19 officer or any agency or department of an executive branch
20 constitutional officer and a labor organization may provide for
21 an increase in salary, wages, or benefits starting on or after
22 the first day of the terms of office of executive branch
23 constitutional officers and ending June 30th of that same year.

1 (c) Any collective bargaining agreement in violation of
2 this Section is terminated and rendered null and void by
3 operation of law.

4 (d) For purposes of this Section, "executive branch
5 constitutional officer" has the same meaning as that term is
6 defined in the State Officials and Employees Ethics Act.

7 Section 10. The State Budget Law of the Civil
8 Administrative Code of Illinois is amended by changing Sections
9 50-5 and 50-25 as follows:

10 (15 ILCS 20/50-5)

11 Sec. 50-5. Governor to submit State budget.

12 (a) The Governor shall, as soon as possible and not later
13 than the second Wednesday in March in 2010 (March 10, 2010) and
14 the third Wednesday in February of each year beginning in 2011,
15 except as otherwise provided in this Section, submit a State
16 budget, embracing therein the amounts recommended by the
17 Governor to be appropriated to the respective departments,
18 offices, and institutions, and for all other public purposes,
19 the estimated revenues from taxation, and the estimated
20 revenues from sources other than taxation, ~~and an estimate of~~
21 ~~the amount required to be raised by taxation.~~ Except with
22 respect to the capital development provisions of the State
23 budget, beginning with the revenue estimates prepared for
24 fiscal year 2012, revenue estimates shall be based solely on:

1 (i) revenue sources (including non-income resources), rates,
2 and levels that exist as of the date of the submission of the
3 State budget for the fiscal year and (ii) revenue sources
4 (including non-income resources), rates, and levels that have
5 been passed by the General Assembly as of the date of the
6 submission of the State budget for the fiscal year and that are
7 authorized to take effect in that fiscal year. Except with
8 respect to the capital development provisions of the State
9 budget, the Governor shall determine available revenue, deduct
10 the cost of essential government services, including, but not
11 limited to, pension payments and debt service, and assign a
12 percentage of the remaining revenue to each statewide
13 prioritized goal, as established in Section 50-25 of this Law,
14 taking into consideration the proposed goals set forth in the
15 report of the Commission established under that Section. The
16 Governor shall also demonstrate how spending priorities for the
17 fiscal year fulfill those statewide goals. The amounts
18 recommended by the Governor for appropriation to the respective
19 departments, offices and institutions shall be formulated
20 according to each department's, office's, and institution's
21 ability to effectively deliver services that meet the
22 established statewide goals ~~according to the various functions~~
23 ~~and activities for which the respective department, office or~~
24 ~~institution of the State government (including the elective~~
25 ~~officers in the executive department and including the~~
26 ~~University of Illinois and the judicial department) is~~

1 ~~responsible~~. The amounts relating to particular functions and
2 activities shall be further formulated in accordance with the
3 object classification specified in Section 13 of the State
4 Finance Act. In addition, the amounts recommended by the
5 Governor for appropriation shall take into account each State
6 agency's effectiveness in achieving its prioritized goals for
7 the previous fiscal year, as set forth in Section 50-25 of this
8 Law, giving priority to agencies and programs that have
9 demonstrated a focus on the prevention of waste and the maximum
10 yield from resources.

11 Beginning in fiscal year 2011, the Governor shall
12 distribute written quarterly financial reports on operating
13 funds, which may include general, State, or federal funds and
14 may include funds related to agencies that have significant
15 impacts on State operations, ~~budget statements~~ to the General
16 Assembly and the State Comptroller. The reports ~~statements~~
17 shall be submitted no later than 45 days after the last day on
18 ~~Wednesday of the last week of the last month~~ of each quarter of
19 the fiscal year and, ~~as is currently the practice on the~~
20 ~~effective date of this amendatory Act of the 96th General~~
21 ~~Assembly,~~ shall be posted on the Governor's Office of
22 Management and Budget's ~~Comptroller's~~ website on the same day.
23 The reports ~~statements~~ shall be prepared and presented in an
24 executive summary format that may include ~~includes~~, for the
25 fiscal year to date, individual itemizations for each
26 significant revenue type ~~source~~ as well as ~~individual~~

1 itemizations of expenditures and obligations, by agency ~~the~~
2 ~~classified line items set forth in Section 13 of the State~~
3 ~~Finance Act and for other purposes~~, with an appropriate level
4 of detail. The reports ~~statement~~ shall include a calculation of
5 the actual total budget surplus or deficit for the fiscal year
6 to date. The Governor shall also present periodic budget
7 addresses throughout the fiscal year at the invitation of the
8 General Assembly.

9 The Governor shall not propose expenditures and the General
10 Assembly shall not enact appropriations that exceed the
11 resources estimated to be available, as provided in this
12 Section. Appropriations may be adjusted during the fiscal year
13 by means of one or more supplemental appropriation bills if any
14 State agency either fails to meet or exceeds the goals set
15 forth in Section 50-25 of this Law.

16 For the purposes of Article VIII, Section 2 of the 1970
17 Illinois Constitution, the State budget for the following funds
18 shall be prepared on the basis of revenue and expenditure
19 measurement concepts that are in concert with generally
20 accepted accounting principles for governments:

- 21 (1) General Revenue Fund.
- 22 (2) Common School Fund.
- 23 (3) Educational Assistance Fund.
- 24 (4) Road Fund.
- 25 (5) Motor Fuel Tax Fund.
- 26 (6) Agricultural Premium Fund.

1 These funds shall be known as the "budgeted funds". The
2 revenue estimates used in the State budget for the budgeted
3 funds shall include the estimated beginning fund balance, plus
4 revenues estimated to be received during the budgeted year,
5 plus the estimated receipts due the State as of June 30 of the
6 budgeted year that are expected to be collected during the
7 lapse period following the budgeted year, minus the receipts
8 collected during the first 2 months of the budgeted year that
9 became due to the State in the year before the budgeted year.
10 Revenues shall also include estimated federal reimbursements
11 associated with the recognition of Section 25 of the State
12 Finance Act liabilities. For any budgeted fund for which
13 current year revenues are anticipated to exceed expenditures,
14 the surplus shall be considered to be a resource available for
15 expenditure in the budgeted fiscal year.

16 Expenditure estimates for the budgeted funds included in
17 the State budget shall include the costs to be incurred by the
18 State for the budgeted year, to be paid in the next fiscal
19 year, excluding costs paid in the budgeted year which were
20 carried over from the prior year, where the payment is
21 authorized by Section 25 of the State Finance Act. For any
22 budgeted fund for which expenditures are expected to exceed
23 revenues in the current fiscal year, the deficit shall be
24 considered as a use of funds in the budgeted fiscal year.

25 Revenues and expenditures shall also include transfers
26 between funds that are based on revenues received or costs

1 incurred during the budget year.

2 Appropriations for expenditures shall also include all
3 anticipated statutory continuing appropriation obligations
4 that are expected to be incurred during the budgeted fiscal
5 year.

6 By March 15 of each year, the Commission on Government
7 Forecasting and Accountability shall prepare revenue and fund
8 transfer estimates in accordance with the requirements of this
9 Section and report those estimates to the General Assembly and
10 the Governor.

11 For all funds other than the budgeted funds, the proposed
12 expenditures shall not exceed funds estimated to be available
13 for the fiscal year as shown in the budget. Appropriation for a
14 fiscal year shall not exceed funds estimated by the General
15 Assembly to be available during that year.

16 ~~(b) This subsection applies only to the process for the~~
17 ~~proposed fiscal year 2011 budget.~~

18 By February 24, 2010, the Governor must file a written
19 report with the Secretary of the Senate and the Clerk of the
20 House of Representatives containing the following:

21 (1) for fiscal year 2010, the revenues for all budgeted
22 funds, both actual to date and estimated for the full
23 fiscal year;

24 (2) for fiscal year 2010, the expenditures for all
25 budgeted funds, both actual to date and estimated for the
26 full fiscal year;

1 (3) for fiscal year 2011, the estimated revenues for
2 all budgeted funds, including without limitation the
3 affordable General Revenue Fund appropriations, for the
4 full fiscal year; and

5 (4) for fiscal year 2011, an estimate of the
6 anticipated liabilities for all budgeted funds, including
7 without limitation the affordable General Revenue Fund
8 appropriations, debt service on bonds issued, and the
9 State's contributions to the pension systems, for the full
10 fiscal year.

11 Between July 1 and August 31 of each fiscal year ~~February~~
12 ~~24, 2010 and March 10, 2010~~, the members of the General
13 Assembly and members of the public may make written budget
14 recommendations to the Governor, ~~and the Governor shall~~
15 ~~promptly make those recommendations available to the public~~
16 ~~through the Governor's Internet website.~~

17 Beginning with budgets prepared for fiscal year 2013, the
18 budgets submitted by the Governor and appropriations made by
19 the General Assembly for all executive branch State agencies
20 must adhere to a method of budgeting where each priority must
21 be justified each year according to merit rather than according
22 to the amount appropriated for the preceding year.

23 (Source: P.A. 96-1, eff. 2-17-09; 96-320, eff. 1-1-10; 96-881,
24 eff. 2-11-10; 96-958, eff. 7-1-10; 96-1000, eff. 7-2-10.)

1 Sec. 50-25. Statewide prioritized goals. For fiscal year
2 2012 and each fiscal year thereafter, prior to the submission
3 of the State budget, the Governor, in consultation with the
4 appropriation committees of the General Assembly and,
5 beginning with budgets prepared for fiscal year 2013, the
6 commission established under this Section, shall: (i)
7 prioritize outcomes that are most important for each State
8 agency of the executive branch under the jurisdiction of the
9 Governor to achieve for the next fiscal year and (ii) set goals
10 to accomplish those outcomes according to the priority of the
11 outcome. There must be a reasonable number of annually defined
12 statewide goals defining State priorities for the budget. Each
13 goal shall be further defined to facilitate success in
14 achieving that goal. No later than July 31 of each fiscal year
15 beginning in fiscal year 2012, the Governor shall establish a
16 commission for the purpose of advising the Governor in setting
17 those outcomes and goals, including the timeline for achieving
18 those outcomes and goals. The commission shall be a
19 well-balanced group and shall be a manageable size. The
20 commission shall hold at least 2 public meetings during each
21 fiscal year. One meeting shall be held in the City of Chicago
22 and one meeting shall be held in the City of Springfield. By
23 November 1 of each year, the commission shall submit a report
24 to the Governor and the General Assembly setting forth
25 recommendations with respect to the Governor's proposed
26 outcomes and goals. The report shall be published on the

1 Governor's Office of Management and Budget's website. In its
2 report, the commission shall propose a percentage of the total
3 budget to be assigned to each proposed outcome and goal. The
4 commission shall also review existing mandated expenditures
5 and include in its report recommendations for the termination
6 of mandated expenditures. The General Assembly may object to
7 the commission's report by passing a joint resolution detailing
8 the General Assembly's objections.

9 In addition, each other constitutional officer of the
10 executive branch, in consultation with the appropriation
11 committees of the General Assembly, shall: (i) prioritize
12 outcomes that are most important for his or her office to
13 achieve for the next fiscal year and (ii) set goals to
14 accomplish those outcomes according to the priority of the
15 outcome. The Governor and each constitutional officer shall
16 separately conduct performance analyses to determine which
17 programs, strategies, and activities will best achieve those
18 desired outcomes. The Governor shall recommend that
19 appropriations be made to State agencies and officers for the
20 next fiscal year based on the agreed upon goals and priorities.
21 Each agency and officer may develop its own strategies for
22 meeting those goals and shall review and analyze those
23 strategies on a regular basis. The Governor shall also
24 implement procedures to measure annual progress toward the
25 State's highest priority outcomes and shall develop a statewide
26 reporting system that compares the actual results with budgeted

1 results. Those performance measures and results shall be posted
2 on the State Comptroller's website, and compiled for
3 distribution in the Comptroller's Public Accountability
4 Report, as is currently the practice on the effective date of
5 this amendatory Act of the 96th General Assembly.

6 (Source: P.A. 96-958, eff. 7-1-10.)

7 Section 15. The Illinois Grant Funds Recovery Act is
8 amended by adding Section 4.2 as follows:

9 (30 ILCS 705/4.2 new)

10 Sec. 4.2. Suspension of grant making authority. Any grant
11 funds and any grant program administered by a grantor agency
12 subject to this Act are indefinitely suspended on July 1, 2012,
13 and on July 1st of every 5th year thereafter, unless the
14 General Assembly, by law, authorizes that grantor agency to
15 make grants or lifts the suspension of the authorization of
16 that grantor agency to make grants. In the case of a suspension
17 of the authorization of a grantor agency to make grants, the
18 authority of that grantor agency to make grants is suspended
19 until the suspension is explicitly lifted by law by the General
20 Assembly, even if an appropriation has been made for the
21 explicit purpose of such grants. This suspension of grant
22 making authority supersedes any other law or rule to the
23 contrary.

24 Section 99. Effective date. This Act takes effect upon

1 becoming law.